

**Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Department for Environmental Protection
200 Fair Oaks Lane, 1st Floor
Frankfort, Kentucky 40601
(502) 564-3999**

**AIR QUALITY PERMIT
Issued under 401 KAR 52:040**

Permittee Name: Bluegrass Dairy and Food, LLC
Mailing Address: 1117 Cleveland Avenue, Glasgow, KY 42141

Source Name: Bluegrass Dairy and Food, LLC
Mailing Address: 1117 Cleveland Avenue
Glasgow, KY 42141

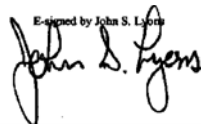
Source Location: 1117 Cleveland Avenue

Permit: S-03-016 R3
Agency Interest: 75
Activity: APE20090001
Review Type: Minor Source, Construction / Operating
Source ID: 21-009-00013

Regional Office: Bowling Green Regional Office
1508 Westen Avenue
Bowling Green, KY 42104
(270) 746-7475

County: Barren

Application
Complete Date: March 11, 2009
Issuance Date: May 23, 2003
Revision Date: March 18, 2009
Expiration Date: May 23, 2013

E-signed by John S. Lyons


**John S. Lyons, Director
Division for Air Quality**

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the construction and operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first submitting a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:040, State-origin permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining other permits, licenses, or approvals that may be required by the Cabinet or other federal, state, or local agencies.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

Emission Unit 01

Indirect Heat Exchanger

Description:

Natural Gas Fired (propane backup)

Rated Capacity: 29.3 MMBtu/hr

Manufacturer: Cleaver-Brooks

Construction Date: March 1975

APPLICABLE REGULATIONS:

401 KAR 59:015, new indirect heat exchangers, applicable to emissions units with a rated capacity less than 250 MMBtu/hr which commenced on or after April 9, 1972.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:015, Section 4(1)(c), particulate matter emissions shall not exceed 0.44 lbs/MMBtu based on a three-hour average.
- b. Pursuant to 401 KAR 59:015, Section 4(2), emissions shall not exceed twenty (20) percent opacity based on a six-minute average except:
 1. A maximum of forty (40) percent opacity shall be permissible for not more than six (6) consecutive minutes during in any sixty (60) consecutive minutes during cleaning the fire box or blowing soot.
 2. During building a new fire for the period required to bring the boiler up to operating conditions provided the method used is that recommended by the manufacturer and the time does not exceed the manufacturer's recommendations
- c. Pursuant to 401 KAR 59:015, Section 5(1)(c), sulfur dioxide emissions shall not exceed 2.73 lbs/MMBtu.

Compliance Demonstration Method:

This unit is assumed to be in compliance with the PM, SO₂, and opacity standards while burning natural gas or propane.

3. Testing Requirements:

None

4. Monitoring Requirements:

The permittee shall monitor the fuel usage on a monthly basis.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Recordkeeping Requirements:

Records of the amount of natural gas and propane burned shall be maintained on a monthly basis.

6. Reporting Requirements:

a. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit: 02

Primary Vertical Whey Dryer

Description:

Maximum production rate: 1.92 tons/hr whey
Control equipment: Twin cyclones and wet scrubber
Manufacturer: C.E. Rogers Co.
Construction Date: April 1974

Applicable Regulations:

401 KAR 61:010, existing process operations, applicable to emissions units commenced before July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 61:020, Section 3(1)(a), any continuous emission(s) into the open air shall not equal or exceed forty (40) percent opacity based on a six-minute average.
- b. Pursuant to 401 KAR 61:020, Section 3(2)(a), particulate matter emissions into the open air shall not exceed 6.12 lbs/hr based on a three-hour average. The emissions unit is assumed to be in compliance with the allowable particulate emission limitation if the requirements of Section B, Subsection 7 are met.

3. Testing Requirements:

None

4. Monitoring Requirements:

- a. The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of the observations. If visible emissions from any emission point are seen, then the permittee shall determine the opacity of emissions by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b. The permittee shall monitor the amount of whey processed and the hours of operation on a weekly basis.

5. Recordkeeping Requirements:

The permittee shall maintain records of whey processed and hours of operation on a weekly basis.

6. Reporting Requirements:

See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

7. Specific Control Equipment Operating Conditions:

- a. The cyclones and scrubber shall be operated to maintain compliance with permitted emission limitations, in accordance with manufacturer's specifications and/or standard operating practices.
- b. Records regarding the maintenance of the cyclones and scrubber shall be maintained.
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit: 03

Secondary Rotary Whey Dryer

Description:

Maximum production rate: 1.82 tons/hr whey
Control equipment: Cyclone and baghouse
Manufacturer: C.E. Rogers Co
Construction date: April 1974

Applicable Regulations:

401 KAR 61:020, existing process operations, applicable for emissions units commenced before July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 61:020, Section 3(1)(a) any continuous emission(s) into open air shall not equal or exceed forty (40) percent opacity based on a six-minute average.
- b. Pursuant to 401 KAR 61:020, Section 3(12)(a), particulate matter emissions into open air shall not exceed 6.35 lbs/hr based on a three-hour average. The emissions unit is assumed to be in compliance with the allowable particulate emission limitation if the requirements of Section B, Subsection 7 are met.

3. Testing Requirements:

None

4. Monitoring Requirements:

- a. The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of observations. If visible emissions from any emission point are seen, then the permittee shall determine the opacity of emissions by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b. The permittee shall monitor the amount of whey processed and the hours of operation on a weekly basis.

5. Recordkeeping Requirements:

The permittee shall maintain records of whey processed and hours of operation on a weekly basis.

6. Reporting Requirements:

See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

7. Specific Control Equipment Operating Conditions:

- a. The cyclone and baghouse shall be operated to maintain compliance with permitted emission limitations, in accordance with the manufacturer's specifications and/or standard operating practices.
- b. Records regarding maintenance of the cyclone and baghouse shall be maintained.
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit: 04 **DeLaval Whey Dryer**

Description:

Maximum production rate: 1.2 tons/hr whey
Control equipment: 3 cyclones and wet scrubber
Manufacturer: DeLaval Model 120 36B D940
Construction date: December 1992

Applicable Regulations:

401 KAR 59:010, new process operations, applicable for emissions units commenced after July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:010, Section 3(2) particulate matter emissions into open air shall not exceed 4.02 lbs/hr on a three-hour average. The emissions unit is assumed to be in compliance with the allowable particulate emission limitation if the requirements of Section B, Subsection 7 are met.
- b. Pursuant to 401 KAR 59:010, Section 3(1)(a), any continuous emission(s) into open air shall not equal or exceed twenty (20) percent opacity based on a six-minute average.

3. Testing Requirements:

None

4. Monitoring Requirements:

- a. The permittee shall perform a qualitative visual observation of the opacity of missions from the stack on a weekly basis and maintain a log of observations. If visible emissions from any emission point are seen, then the permittee shall determine the opacity of emissions by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b. The permittee shall monitor the amount of whey processed and the hours of operation on a weekly basis.

5. Recordkeeping Requirements:

The permittee shall maintain records of whey processed and hours of operation on a weekly basis.

6. Reporting Requirements:

See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

7. Specific Control Equipment Operating Conditions:

- a. The cyclones and scrubber shall be operated to maintain compliance with permitted emission limitations, in accordance with the manufacturer's specifications and/or standard operating practices.
- b. Records regarding maintenance of the cyclones and scrubber shall be maintained.
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emission Units: 05 and 06****Indirect Heat Exchangers****Description:****05**

Natural gas fired (propane backup)
Rated Capacity: 6.3 MMBtu/hr
Manufacturer: Continental
Construction date: February 1969

06

Natural gas fired (propane backup)
Rated Capacity: 6.3 MMBtu/hr
Manufacturer: Cleaver-Brooks
Construction: February 1969

Applicable Regulations:

401 KAR 61:015, existing indirect heat exchangers, applicable to emission units with a rated capacity less than 250 MMBtu/hr which commenced before April 9, 1972.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 61:015, Section 4(1), particulate emissions shall not exceed 0.76 lbs/MMBtu based on a three-hour average.
- b. Pursuant to 401 KAR 61:015, Section 4(3), opacity emissions from stack should not exceed forty (40) percent.
- c. Pursuant to 401 KAR 61:015, Section 4(3)(c), for emissions shall not exceed 40 % opacity based on a six minute average, except for emissions from an indirect heat exchanger during building a new fire for the period required to bring the boiler up to operating condition provided the method used is the recommended by the manufacturer and the time does not exceed the manufacturer's recommendations.
- d. Pursuant to 401 KAR 60:015, Section 5(1), sulfur dioxide emission shall not exceed 5.83 lbs/MMBtu on a twenty-four hour average.

Compliance Demonstration Method:

These units are assumed to be in compliance with PM, SO₂, and opacity standards while burning natural gas or propane.

3. Testing Requirements:

None

4. Monitoring Requirements:

The permittee shall monitor the fuel usage on a monthly basis.

5. Recordkeeping Requirements:

Records of the amount of natural gas or propane burned shall be maintained on a monthly basis.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

6. Reporting Requirements:

None

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit: 07 Dryer

Description:

Maximum production rate: 1,000 lbs/hr condensed milk
Control equipment: Cyclone and scrubber
Manufacturer: Blaw Knox, Model 1500
Construction Date: April 1998

Applicable Regulations:

401 KAR 59:010, new process operations, applicable for emissions units commenced after July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:010, Section 3(2), particulate matter emissions into the open air shall not exceed 2.34 lbs/hr based on a three-hour average. The emissions unit is assumed to be in compliance with the allowable particulate emissions limitation if the requirements of Section B, Subsection 7 are met.
- b. Pursuant to 401 KAR 59:010, Section 3(1)(a), any continuous emission(s) into the open air shall not exceed twenty (20) percent opacity based on a six-minute average.

3. Testing Requirements:

None

4. Monitoring Requirements:

- a. The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of observations. If visible emissions from any emission point are seen, then the permittee shall determine the opacity of emissions by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b. The permittee shall monitor the amount of milk processed and the hours of operation on a weekly basis.

5. Recordkeeping Requirements:

The permittee shall maintain records of condensed milk and hours of operation on a weekly basis.

6. Reporting Requirements:

See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

7. Specific Control Equipment Operating Conditions:

- a. The cyclone and scrubber shall be operated to maintain compliance with permitted emission limitations, in accordance with the manufacturer's specifications and/or standard operating practices.
- b. Records regarding maintenance of the cyclone and scrubber shall be maintained
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit: 08

Rotary Drum Dryer

Description:

Maximum production rate:	0.2 tons/hr dried peppers
Control Equipment:	Venturi Scrubber
Manufacturer:	C.E. Rogers
Construction date:	November 2006

Applicable Regulations:

401 KAR 59:010, new process operations, applicable for emission units commenced after July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:010, Section 3(2), particulate matter emissions into the open air shall not exceed 2.34 lbs/hr based on a three-hour average. The emissions unit is assumed to be in compliance with the allowable particulate emission limitation if the requirements of Section B, Subsection 7 are met.
- b. Pursuant to 401 KAR 59:010, Section 3(1)(a), any continuous emission(s) into the open air shall not exceed twenty (20) percent opacity based on a six-minute average.

3. Testing Requirements:

None

4. Monitoring Requirements:

- a. The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of observations. If visible emissions from any emission point are seen, then the permittee shall determine the opacity of emissions by U.S. EPA Reference Method 9 and initiate an inspection of the control equipment for any necessary repairs.
- b. The permittee shall monitor the amount of peppers processed and the hours of operation on a weekly basis.

5. Recordkeeping Requirements:

The permittee shall maintain records of peppers processed and hours of operation on a weekly basis.

6. Reporting Requirements:

- a. See Section C.
- b. See Section C, Subsection 7.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

7. Specific Control Equipment Operating Conditions:

- a. The scrubber shall be operated to maintain compliance with permitted emission limitations, in accordance with the manufacturer's specifications and/or standard operating practices.
- b. Records regarding the maintenance of the scrubber shall be maintained
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit: 09

Tower Dryer

Description:

Dryer for reducing moisture in foods (milk, cheese, syrups)

Maximum production rate: 1.75 tons/hr

Control Equipment: Venturi Scrubber

Manufacturer: Mojonnier

Construction date: July 2007

Applicable Regulations:

401 KAR 59:010, new process operations, applicable for emission units commenced after July 2, 1975.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:010, Section 3(2), particulate emissions from the stack shall not exceed $[3.59(P)^{0.62}]$ pound per hour based on a three-hour average where P is the weekly average processing rate in tons per hour. If the process rate weight is 1,000 lbs/hr or less than the limit on particulate matter emissions is 2.34 lbs/hr.
- b. Pursuant to 401 KAR 59:010, Section 3(1)(a), any continuous emission(s) into the open air shall not exceed twenty (20) percent opacity based on a six-minute average.
- c. The emissions unit is assumed to be in compliance with the allowable particulate emission limitation if the requirements of Section B, Subsection 7 are met.

3. Testing Requirements:

None

4. Monitoring Requirements:

- a. The permittee shall perform a qualitative visual observation of the opacity of emissions from the stack on a weekly basis and maintain a log of observations. If visible emissions from the stack are seen, then the opacity shall be determined by EPA Reference Method 9 and if the opacity reading is greater than 20 percent, then initiate an inspection of the equipment for any repairs.
- b. The permittee shall monitor the amount of food processed and the hours of operation on a weekly basis.

5. Recordkeeping Requirements:

The permittee shall maintain records of the amount of food processed (tons) and hours of operation on a weekly basis.

6. Reporting Requirements:

- a. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b. See Section C, Subsection 7.

7. Specific Control Equipment Operating Conditions:

- a. The venturi scrubber shall be operated to maintain compliance with permitted emission limitations, in accordance with the manufacturer's specifications and/or standard operating practices.
- b. Records regarding the maintenance of the scrubber shall be maintained.
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit 10

Indirect Heat Exchanger

Description:

Natural gas indirect heat exchanger
Maximum continuous rating: 29.3 MMBtu/hr
Manufacturer: Cleaver-Brooks
Construction commenced: 2009

APPLICABLE REGULATIONS:

401 KAR 59:015, New indirect heat exchangers, applicable to an emissions unit with a capacity of less than 250 MMBtu/hr which commenced on or after April 9, 1972.

40 CFR 60, Subpart Dc, Standards of performance for small industrial-commercial-institutional steam generating units, applies to each steam generating unit commenced after June 8, 1989 that has a maximum design heat input capacity between 10 and 100 MMBtu/hr.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:015, Section 4(1)(c), particulate emissions from each unit's stack shall not exceed 0.35 lb/MMBtu based on a three-hour-average.
- b. Pursuant to 401 KAR 59:015, Section 4(2), emissions shall not exceed twenty (20) percent opacity based on a six-minute average except:
 1. A maximum of forty (40) percent opacity shall be permissible for not more than six (6) consecutive minutes during in any sixty (60) consecutive minutes during cleaning the fire box or blowing soot.
 2. During building a new fire for the period required to bring the boiler up to operating conditions provided the method used is that recommended by the manufacturer and the time does not exceed the manufacturer's recommendations
- c. Pursuant to 401 KAR 59:015, Section 5(b), sulfur dioxide emissions from each unit's stack shall not exceed 1.34 lb/MMBtu based on a 24-hour average.

Compliance Demonstration:

The permittee is assumed to be in compliance with PM, SO₂ and opacity standards while burning natural gas.

3. Testing Requirements:

None

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

Pursuant to 401 KAR 52:020, Section 26, the permittee shall monitor fuel usage (scf) on a monthly basis.

5. Specific Recordkeeping Requirements:

Pursuant to 401 KAR 52:020, Section 26, the permittee shall maintain records of fuel usage (scf) on a monthly basis.

6. Specific Reporting Requirements:

See Section F

SECTION C - GENERAL CONDITIONS

1. Administrative Requirements

- a. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:040, Section 3(1)(b) and is grounds for enforcement action including but not limited to the termination, revocation and reissuance, or revision of this permit.
- b. This permit shall remain in effect for a fixed term of ten (10) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division. [401 KAR 52:040, Section 15]
- c. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Section 1a-11 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- d. Pursuant to materials incorporated by reference by 401 KAR 52:040, this permit may be revised, revoked, reopened, reissued, or terminated for cause. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance shall not stay any permit condition [Section 1a-4, 5, of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- e. This permit does not convey property rights or exclusive privileges [Section 1a-8 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- f. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:040 Section 11(3)].
- g. This permit shall be subject to suspension at any time the permittee fails to pay all fees within 90 days after notification as specified in 401 KAR 50:038, Air emissions fee. The permittee shall submit an annual emissions certification pursuant to 401 KAR 52:040, Section 20.
- h. All previously issued permits to this source at this location are hereby null and void.

SECTION C - GENERAL CONDITIONS (CONTINUED)**2. Recordkeeping Requirements**

- a. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of at least five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [401 KAR 52:040 Section 3(1)(f) and Section 1b-IV-2 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- b. The permittee shall perform compliance certification and recordkeeping sufficient to assure compliance with the terms and conditions of the permit. Documents, including reports, shall be certified by a responsible official pursuant to 401 KAR 52:040, Section 21.

3. Reporting Requirements

- a. (1) In accordance with the provisions of 401 KAR 50:055, Section 1, the permittee shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
 - i. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 - ii. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
- (2) The permittee shall promptly report deviations from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Reporting Requirement condition a.(1) above), the probable cause of the deviation, and corrective or preventive measures taken; to the Regional Office listed on the front of this permit within 30 days. Other deviations from permit requirements shall be included in the semiannual report [Section 1b-V-3 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- b. The permittee shall furnish information requested by the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the permit [Section 1a-6 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].

SECTION C - GENERAL CONDITIONS (CONTINUED)

- c. Summary reports of monitoring required by this permit shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation. The summary reports are due January 30th and July 30th of each year. All deviations from permit requirements shall be clearly identified in the reports. All reports shall be certified by a responsible official pursuant to 401 KAR 52:040, Section 21.

4. Inspections

In accordance with the requirements of 401 KAR 52:040, Section 3(1)(f) the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times. Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency:

- a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation.
- b. To access and copy any records required by the permit.
- c. Inspect, at reasonable times, any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit.
- d. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.

5. Emergencies/Enforcement Provisions

- a. The permittee shall not use as defense in an enforcement action, the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Section 1a-3 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- b. An emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
 - (1) An emergency occurred and the permittee can identify the cause of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - (4) The permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division within two working days after the time when emission limitations were exceeded due to the emergency and included a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.

SECTION C - GENERAL CONDITIONS (CONTINUED)

- c. Emergency provisions listed in General Condition 5.b are in addition to any emergency or upset provision contained in an applicable requirement [401 KAR 52:040, Section 22(1)].
- d. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof. [401 KAR 52:040, Section 22(2)].

6. Compliance

- a. Periodic testing or instrumental or non-instrumental monitoring, which may consist of record keeping, shall be performed to the extent necessary to yield reliable data for purposes of demonstration of continuing compliance with the conditions of this permit. For the purpose of demonstration of continuing compliance, the following guidelines shall be followed:
 - (1) Pursuant to 401 KAR 50:055, General compliance requirements, Section 2(5), all air pollution control equipment and all pollution control measures proposed by the application in response to which this permit is issued shall be in place, properly maintained, and in operation at any time an affected facility for which the equipment and measures are designed is operated, except as provided by 401 KAR 50:055, Section 1.
 - (2) All the air pollution control systems shall be maintained regularly in accordance with good engineering practices and the recommendations of the respective manufacturers. A log shall be kept of all routine and nonroutine maintenance performed on each control device. Daily observations are required during daylight hours of all operations, control equipment and any visible emissions to determine whether conditions appear to be either normal or abnormal. If the operations, controls and/or emissions appear to be abnormal, the permittee must then comply with the requirements of Section C – General Conditions, 3.a.(2), of this permit.
 - (3) A log of the monthly raw material consumption and monthly production rates shall be kept available at the facility. Compliance with the emission limits may be demonstrated by computer program, spread sheets, calculations or performance tests as may be specified by the Division [401 KAR 50:055, Section 2].
- b. Pursuant to 401 KAR 52:040, Section 19, the permittee shall certify compliance with the terms and conditions contained in this permit by January 30th of each year, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an approved alternative) to the Regional Office listed on the front of this permit in accordance with the following requirements:
 - (1) Identification of the term or condition;
 - (2) Compliance status of each term or condition of the permit;
 - (3) Whether compliance was continuous or intermittent;
 - (4) The method used for determining the compliance status for the source, currently and over the reporting period, and
 - (5) For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

SECTION C - GENERAL CONDITIONS (CONTINUED)

(6) The certification shall be postmarked by January 30th of each year. Annual compliance certifications shall be mailed to the following addresses:

Division for Air Quality	Division for Air Quality
Bowling Green Regional Office	Central Files
1508 Westen Avenue	200 Fair Oaks Lane, 1 st Floor
Bowling Green,, KY 42104	Frankfort, KY 40601

- c. Permit Shield - A permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with all:
- (1) Applicable requirements that are included and specifically identified in this permit; or
 - (2) Non-applicable requirements expressly identified in this permit [401 KAR 52:040, Section 11].

7. Construction Requirements:

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the construction of the equipment described herein, *Emission Unit 10*, in accordance with the terms and conditions of this permit.

- a. Pursuant to 401 KAR 52:040, Section 12(3), unless construction is commenced on or before 18 months after the date of issuance of this permit, or if construction is commenced and then stopped for any consecutive period of 18 months or more, or is not completed within a reasonable timeframe, then the construction and operating authority granted by this permit for those affected facilities for which construction was not completed shall immediately become invalid. Upon a written request, the Cabinet may extend these time periods if the source shows good cause.
- b. Pursuant to 401 KAR 52:040, Section 12(4)(a) and 401 KAR 59:005, General provisions, Section 3(1), within 30 days following construction commencement, within 15 days following start-up and attainment of maximum production rate, or within 15 days following the issuance date of this permit, whichever is later, the owner and/or operator of the affected facilities specified on this permit shall furnish to the Regional Office listed on the front of this permit, with a copy to the Division's Frankfort Central Office, the following:
 - (1) Date when construction commenced.
 - (2) Start-up date of each of the affected facilities listed on this permit.
 - (3) Date when maximum production rate was achieved.
- c. (1) Pursuant to 401 KAR 59:005, General provisions, Section 2(1), this permit shall allow operation for compliance demonstration of the affected facilities listed herein. However, within 60 days after the issuance date of this permit or the date of achieving the maximum production rate at which the affected facilities will be operated, whichever is later, but no later than 180 days after initial start-up of such facilities, or the issuance date of this permit, whichever is later, the owner or operator shall demonstrate compliance to a duly authorized representative of the Division.

SECTION C - GENERAL CONDITIONS (CONTINUED)

- (2) Pursuant to 401 KAR 59:005, General provisions, Section 3(1)(b), unless notification and justification to the contrary are received by this Division, the date of achieving the maximum production rate at which the affected facilities will be operated shall be deemed to be 30 days after initial start-up.
 - (3) Pursuant to 401 KAR 50:045 Section 5 in order to demonstrate that a source is capable of complying with a standard at all times, a performance test shall be conducted under normal conditions that are representative of the source's operations and create the highest rate of emissions. If [When] the maximum production rate represents a source's highest emissions rate and a performance test is conducted at less than the maximum production rate, a source shall be limited to a production rate of no greater than 110 percent of the average production rate during the performance tests. If and when the facility is capable of operation at the rate specified in the application, the source may retest to demonstrate compliance at the new production rate. The Division for Air Quality may waive this requirement on a case-by-case basis if the source demonstrates to the Division's satisfaction that the source is in compliance with all applicable requirements.
- d. Operation of the affected facilities authorized by this permit shall not commence until compliance with applicable standards specified herein has been demonstrated in accordance with the requirements of 401 KAR 52:040, Section 12(4)(b). Until compliance is demonstrated, the source may only operate for the purpose of demonstrating compliance.

SECTION D - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:040, Section 6. While these activities are designated as insignificant the permittee shall comply with the applicable regulation and any level of periodic monitoring specified below.

<u>Description</u>	<u>Generally Applicable Regulation</u>
1. 2 Roll Drum Dryers (PTE < 2 ton/yr)	401 KAR 59:010
2. Misc. Product Bagging Operations	401 KAR 59:010